

ASSEMBLY, No. 4200

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED JUNE 1, 2020

Sponsored by:

Assemblyman HERB CONAWAY, JR.

District 7 (Burlington)

Assemblyman ROBERT J. KARABINCHAK

District 18 (Middlesex)

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

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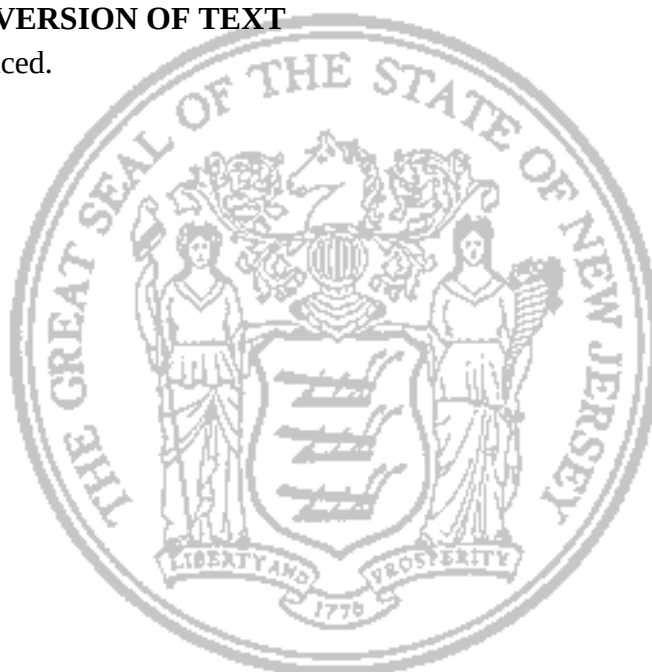
Assemblywoman Vainieri Huttie

SYNOPSIS

Requires reimbursement rate for health care services provided using telehealth and telemedicine equal reimbursement rate for services provided in person.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 6/1/2020)

1 AN ACT concerning telemedicine and telehealth and amending
2 P.L.2017, c.117.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 8 of P.L.2017, c.117 (C.26:2S-29) is amended to
8 read as follows:

9 8. a. A carrier that offers a health benefits plan in this State
10 shall provide coverage and payment for health care services
11 delivered to a covered person through telemedicine or telehealth, on
12 the same basis as, and at a provider reimbursement rate that **【does**
13 **not exceed】** equals the provider reimbursement rate that is
14 applicable, when the services are delivered through in-person
15 contact and consultation in New Jersey. Reimbursement payments
16 under this section may be provided either to the individual
17 practitioner who delivered the reimbursable services, or to the
18 agency, facility, or organization that employs the individual
19 practitioner who delivered the reimbursable services, as appropriate.

20 b. A carrier may limit coverage to services that are delivered
21 by health care providers in the health benefits plan's network, but
22 may not charge any deductible, copayment, or coinsurance for a
23 health care service, delivered through telemedicine or telehealth, in
24 an amount that exceeds the deductible, copayment, or coinsurance
25 amount that is applicable to an in-person consultation.

26 c. Nothing in this section shall be construed to:

27 (1) prohibit a carrier from providing coverage for only those
28 services that are medically necessary, subject to the terms and
29 conditions of the covered person's health benefits plan; or

30 (2) allow a carrier to require a covered person to use
31 telemedicine or telehealth in lieu of receiving an in-person service
32 from an in-network provider.

33 d. The Commissioner of Banking and Insurance shall adopt
34 rules and regulations, pursuant to the "Administrative Procedure
35 Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to implement the
36 provisions of this section.

37 e. As used in this section:

38 "Carrier" means the same as that term is defined by section 2 of
39 P.L.1997, c.192 (C.26:2S-2).

40 "Covered person" means the same as that term is defined by
41 section 2 of P.L.1997, c.192 (C.26:2S-2).

42 "Health benefits plan" means the same as that term is defined by
43 section 2 of P.L.1997, c.192 (C.26:2S-2).

44 "Telehealth" means the same as that term is defined by section 1
45 of P.L.2017, c.117 (C.45:1-61).

EXPLANATION – Matter enclosed in bold-faced brackets **【thus】 in the above bill is not enacted and is intended to be omitted in the law.**

Matter underlined thus is new matter.

1 "Telemedicine" means the same as that term is defined by
2 section 1 of P.L.2017, c.117 (C.45:1-61).
3 (cf: P.L.2017, c.117, s.8)
4

5 2. Section 7 of P.L.2017, c.117 (C.30:4D-6k) is amended to
6 read as follows:

7 7. a. The State Medicaid and NJ FamilyCare programs shall
8 provide coverage and payment for health care services delivered to
9 a benefits recipient through telemedicine or telehealth, on the same
10 basis as, and at a provider reimbursement rate that **【does not**
11 **exceed】** equals the provider reimbursement rate that is applicable,
12 when the services are delivered through in-person contact and
13 consultation in New Jersey. Reimbursement payments under this
14 section may be provided either to the individual practitioner who
15 delivered the reimbursable services, or to the agency, facility, or
16 organization that employs the individual practitioner who delivered
17 the reimbursable services, as appropriate.

18 b. The State Medicaid and NJ FamilyCare programs may limit
19 coverage to services that are delivered by participating health care
20 providers, but may not charge any deductible, copayment, or
21 coinsurance for a health care service, delivered through
22 telemedicine or telehealth, in an amount that exceeds the deductible,
23 copayment, or coinsurance amount that is applicable to an in-person
24 consultation.

25 c. Nothing in this section shall be construed to:

26 (1) prohibit the State Medicaid or NJ FamilyCare programs
27 from providing coverage for only those services that are medically
28 necessary, subject to the terms and conditions of the recipient's
29 benefits plan; or

30 (2) allow the State Medicaid or NJ FamilyCare programs to
31 require a benefits recipient to use telemedicine or telehealth in lieu
32 of obtaining an in-person service from a participating health care
33 provider.

34 d. The Commissioner of Human Services, in consultation with
35 the Commissioner of Children and Families, shall apply for such
36 State plan amendments or waivers as may be necessary to
37 implement the provisions of this section and to secure federal
38 financial participation for State expenditures under the federal
39 Medicaid program and Children's Health Insurance Program.

40 e. As used in this section:

41 "Benefits recipient" or "recipient" means a person who is eligible
42 for, and who is receiving, hospital or medical benefits under the
43 State Medicaid program established pursuant to P.L.1968, c.413
44 (C.30:4D-1 et seq.), or under the NJ FamilyCare program
45 established pursuant to P.L.2005, c.156 (C.30:4J-8 et al.), as
46 appropriate.

47 "Participating health care provider" means a licensed or certified
48 health care provider who is registered to provide health care

1 services to benefits recipients under the State Medicaid or NJ
2 FamilyCare programs, as appropriate.

3 "Telehealth" means the same as that term is defined by section 1
4 of P.L.2017, c.117 (C.45:1-61).

5 "Telemedicine" means the same as that term is defined by
6 section 1 of P.L.2017, c.117 (C.45:1-61).
7 (cf: P.L.2017, c.117, s.7)

8
9 3. Section 9 of P.L.2017, c.117 (C.52:14-17.29w) is amended
10 to read as follows:

11 9. a. The State Health Benefits Commission shall ensure that
12 every contract purchased thereby, which provides hospital and
13 medical expense benefits, additionally provides coverage and
14 payment for health care services delivered to a covered person
15 through telemedicine or telehealth, on the same basis as, and at a
16 provider reimbursement rate that **【does not exceed】** equals the
17 provider reimbursement rate that is applicable, when the services
18 are delivered through in-person contact and consultation in New
19 Jersey. Reimbursement payments under this section may be
20 provided either to the individual practitioner who delivered the
21 reimbursable services, or to the agency, facility, or organization that
22 employs the individual practitioner who delivered the reimbursable
23 services, as appropriate.

24 b. A health benefits contract purchased by the State Health
25 Benefits Commission may limit coverage to services that are
26 delivered by health care providers in the health benefits plan's
27 network, but may not charge any deductible, copayment, or
28 coinsurance for a health care service, delivered through
29 telemedicine or telehealth, in an amount that exceeds the deductible,
30 copayment, or coinsurance amount that is applicable to an in-person
31 consultation.

32 c. Nothing in this section shall be construed to:

33 (1) prohibit a health benefits contract from providing coverage
34 for only those services that are medically necessary, subject to the
35 terms and conditions of the covered person's health benefits plan; or

36 (2) allow the State Health Benefits Commission, or a contract
37 purchased thereby, to require a covered person to use telemedicine
38 or telehealth in lieu of receiving an in-person service from an in-
39 network provider.

40 d. The State Health Benefits Commission shall adopt rules and
41 regulations, pursuant to the "Administrative Procedure Act,"
42 P.L.1968, c.410 (C.52:14B-1 et seq.), to implement the provisions
43 of this section.

44 e. As used in this section:

45 "Telehealth" means the same as that term is defined by section 1
46 of P.L.2017, c.117 (C.45:1-61).

"Telemedicine" means the same as that term is defined by section 1 of P.L.2017, c.117 (C.45:1-61).

(cf: P.L.2017, c.117, s.9)

4. Section 10 of P.L.2017, c.117 (C.52:14-17.46.6h) is amended to read as follows:

10. a. The School Employees' Health Benefits Commission shall ensure that every contract purchased thereby, which provides hospital and medical expense benefits, additionally provides coverage and payment for health care services delivered to a covered person through telemedicine or telehealth, on the same basis as, and at a provider reimbursement rate that **【does not exceed】** equals the provider reimbursement rate that is applicable, when the services are delivered through in-person contact and consultation in New Jersey. Reimbursement payments under this section may be provided either to the individual practitioner who delivered the reimbursable services, or to the agency, facility, or organization that employs the individual practitioner who delivered the reimbursable services, as appropriate.

b. A health benefits contract purchased by the School Employees' Health Benefits Commission may limit coverage to services that are delivered by health care providers in the health benefits plan's network, but may not charge any deductible, copayment, or coinsurance for a health care service, delivered through telemedicine or telehealth, in an amount that exceeds the deductible, copayment, or coinsurance amount that is applicable to an in-person consultation.

c. Nothing in this section shall be construed to:

(1) prohibit a health benefits contract from providing coverage for only those services that are medically necessary, subject to the terms and conditions of the covered person's health benefits plan; or

(2) allow the School Employees' Health Benefits Commission, or a contract purchased thereby, to require a covered person to use telemedicine or telehealth in lieu of receiving an in-person service from an in-network provider.

d. The School Employees' Health Benefits Commission shall adopt rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), to implement the provisions of this section.

e. As used in this section:

"Telehealth" means the same as that term is defined by section 1 of P.L.2017, c.117 (C.45:1-61).

"Telemedicine" means the same as that term is defined by section 1 of P.L.2017, c.117 (C.45:1-61).

(cf: P.L.2017, c.117, s.10)

5. The Commissioner of Human Services shall apply for such State plan amendments or waivers as may be necessary to

1 implement the provisions of this act and to secure federal financial
2 participation for State Medicaid expenditures under the federal
3 Medicaid program.

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5 6. This act shall take effect immediately.

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STATEMENT

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10 This bill revises the telemedicine and telehealth law, P.L.2017,
11 c.117 (C.45:1-1 et al.), to require health benefits plans, Medicaid
12 and NJ FamilyCare, and the State Health Benefits Program (SHBP)
13 and School Employees' Health Benefits Program (SEHBP) to
14 provide reimbursement for services provided using telemedicine
15 and telehealth at a rate that is equal to the reimbursement rate for
16 the same services when they are provided in person. Current law
17 provides telemedicine and telehealth services may be reimbursed up
18 to the amount at which the service would be reimbursed if provided
19 in person.